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Foreign CROPS AND MARKETS



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PICKLED OLIVES (Page 583)

CONTENTS

Page

COTTON AND OTHER FIBER

Cotton-Price Quotations on Foreign Markets.....	595
Cotton Stocks in Egypt Revised Downward.....	596
Outlook for Swiss Textile Industry Improved.....	598

FATS AND OILS

Western Germany Increases Oilseed Production.....	599
France Anticipates Abundant Olive Oil Supply.....	601

FRUITS, VEGETABLES AND NUTS

Spanish Pickled Olive Production Large.....	583
Cuban Vegetable Outlook for 1949-50.....	587
Mexican Vegetable Outlook for 1949-50.....	588
First Estimate of Deciduous Fruit in Argentina.....	589
New Packaging of Citrus Fruit in South Africa.....	588

GRAINS, GRAIN PRODUCTS AND FEEDS

Rio Grande Do Sul Rice Exports Drop Sharply.....	582
Taiwan Harvests Record Rice Acreage.....	593
Correction--Japanese Rice Item.....	594

LIVESTOCK AND ANIMAL PRODUCTS

Substantial Exports of U. K. Wool and By-Products to U. S. Continue.....	602
Ireland Regulates Poultry Imports.....	603
Fewer Canadian Eggs, More Poultry Meat Indicated.....	603

TOBACCO

Italy's Tobacco Exports Higher, Imports Lower.....	589
Israel Plans Production of U. S. Types of Tobacco.....	590
Larger 1949-50 Flue-Cured Tobacco Acreage in Thailand (Siam).....	590

TROPICAL PRODUCTS

Larger Cacao Production Forecast for Trinidad and Tobago.....	591
Mechanical Tea Harvester Tested in Ceylon.....	592

FOR RELEASE

MONDAY

DECEMBER 5, 1949

UNITED STATES DEPARTMENT OF AGRICULTURE

OFFICE OF FOREIGN AGRICULTURAL RELATIONS

WASHINGTON 25, D. C.

L A T E N E W S

Egyptian cotton of the Karmak and Menoufi varieties will be restricted in 1950 to 727,000 acres or 249,000 acres below the 1949 acreage, under a decree issued by the Government about November 29, 1949. The planting of other varieties will not be restricted. This action is apparently intended as a means of causing a shift to the cultivation of the shorter staple Ashmouri and Zagora without any significant change in the total cotton acreage. Stocks of the foregoing extra-long staple varieties comprised 62 percent of the total stocks on hand at the end of the past season and the area planted to these varieties in 1949 represents 56 percent of the total 1949 cotton acreage. Stocks of the shorter staples are very low and export demand for them is rising as a result of the devaluation of currencies in Western Europe and the continued scarcity of dollar exchange.

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Wool prices at the opening week of the final 1949 series of London Sales were up about 15 percent over the closing of the last series on October 7. Average prices per pound, clean basis, for the week November 21-25 were: 64's - 70's, good medium fleece, \$1.51; 56's, fine crossbred, 96 cents; 46's, crossbred, 62 cents, as compared to \$1.34, 82 cents and 48 cents for the same categories for the week ended October 7.

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FOREIGN CROPS AND MARKETS

Published weekly to inform producers, processors, distributors and consumers of farm products of current developments abroad in the crop and livestock industries, foreign trends in prices and consumption of farm products, and world agricultural trade. Circulation of this periodical is free to those needing the information it contains in farming, business, and professional operations. Issued by the Office of Foreign Agricultural Relations of the U.S. Department of Agriculture, Washington 25, D.C.

SPANISH PICKLED OLIVE PRODUCTION LARGE

Production of pickled olives in Spain is estimated at 63,600 short tons in the 1949-50 season compared with 15,800 tons in 1948 and 53,800 tons in 1947. The estimate is the largest since 1941-42. The preliminary estimate is 83 percent above the 10-year (1937-38/1946-47) average of 34,800 and more than twice the 5-year (1942-43/1946-47) average of 31,400 tons.

In terms of hogsheads, this season's indicated production is 75,000 for Queens and 57,500 for Manzanillas which may be compared with 8,000 Queens and 12,000 Manzanillas in 1948. It is now thought that of the total output this season about 24,300 short tons, or 50,600 hogsheads, of Queens will be suitable for export and about 18,600 tons, or 38,800 hogsheads, of Manzanillas. This is equivalent to about 8,100,000 gallons of Queens and 6,210,000 gallons of Manzanillas. The quality of this year's fruit is said to be very good and remarkably free of insect and other damage. The fruit did not, however, size as well and the supply of the larger-sized fruit is low. There is an abundance of medium and small-sized fruit. The drought and prolonged dry weather prevented full sizing.

There was no carry-over from the 1948-49 pack. However, there are still some from the 1947-48 pack. According to consular invoice data at Seville, there were 7,710,240 gallons of stuffed olives valued at \$14,175,204 exported to the United States during the first 9 months of 1949 and 4,146,436 gallons of plain pickled olives valued at \$5,212,897.

The Spanish Government had not announced the official export prices on new-pack olives up to October 24 but it is understood that the prices will be established in December or January.

Prices for the 1949-50 crop will benefit by the increase in the special rate of exchange from Ptas. 13.14 per \$1.00 established in February 1949, to Ptas. 14.235. This increase in exchange granted by the Spanish Government is included in the readjustment of the peseta value in connection with the devaluation of the pound sterling, and does not satisfy the exporters' demand of Ptas. 17-18 per \$1.00. It is stated that, if the present rate continues during the exportation of the 1949-50 crop of olives, it will produce very heavy financial losses to both picklers and exporters.

The prices quoted for export during specified months during the past season follow:

Item	Prices per fanega of 96.8 pounds, f.o.b. Spanish port.				
	Aug. 1948	Oct. 1948	March 1949	Aug. Sept. 1949	
Stuffed Manzanillas	\$30.00	\$38.00	\$40.00	\$37.00	
Plain Manzanillas	20.00	28.00	30.00	--	
Stuffed Queens	30.00	38.00	41.00	38.50	
Queen first, plain	20.00	28.00	30.00	22.00	
Queen second, plain	18.00	25.00	28.00	21.00	

The Sindicato Nacional del Olivo published an official communication for the information of olive picklers containing the regulations covering the 1949-50 crop, in accordance with the agreement concluded by the Junta de Aceituna de Verdeo, created by order of the Ministry of Agriculture, dated August 22, 1949. The communication follows:

"An order from His Excellency the Minister of Agriculture, dated September 22, published in the Boletin Oficial del Estado, Madrid, on September 25, 1949, containing the regulations for the pickling of green table olives during the 1949-50 season, authorized for pickling in the Province of Seville the following varieties only:

Fine Manzanilla

Queen, produced in any province

Moron, produced in the typical zone of the Province of Seville

Rapazalla, produced in the Province of Seville; the pickling of any other variety of olives is absolutely prohibited.

"Any violation of the regulations regarding the pickling of other prohibited varieties will be immediately communicated to the technical secretary of the Ministry of Agriculture for the imposition of the corresponding sanction.

"As the available stocks of caustic soda for curing the described varieties of olives are limited, the pickling of other prohibited varieties, in addition to constituting a violation of the Ministry's Order, may produce a lack of caustic soda for authorized varieties.

/s/ The Director Engineer"

The foregoing regulations for the pickling of olives during the 1949-50 season are very similar to those issued for the last season 1948-49. The only other important changes noted are that both growers and picklers of green olives for the season 1949-50 are permitted to establish and contract prices according to offer and demand, instead of basing their transactions on the official prices established last year. Also, the pickling of the variety of Rapazalla olives, not authorized in 1948-49, is authorized this year.

SPAIN: Estimated production of pickled olives, 1949-50
with comparisons

(Rounded to nearest 100 short tons)

Year	Queens	Manzanillas	Total
	<u>Short tons</u>	<u>Short tons</u>	<u>Short tons</u>
<u>Average</u>			
1937-38/1946-47	19,000	15,800	34,800
1942-43/1946-47	15,800	15,600	31,400
<u>Annual</u>			
1942-43	2,800	5,600	8,400
1943-44	21,100	11,800	32,900
1944-45	8,600	14,400	23,000
1945-46	13,100	17,200	30,300
1946-47	33,600	28,800	62,400
1947-48	28,800	25,000	53,800
1948-49 <u>1/</u>	3,800	12,000	15,800
1949-50 <u>1/</u>	36,000	27,600	63,600

1/ Preliminary.

OFAR, USDA. Prepared or estimated on the basis of official statistics of foreign governments, reports of U.S. Foreign Service officers, results of office research and other information.

UNITED STATES: Imports of pickled olives from Spain

(Calendar year)

Year	Pitted or stuffed	Unpitted (in brine)	Total
	<u>1,000 gallons</u>	<u>1,000 gallons</u>	<u>1,000 gallons</u>
<u>Average</u>			
1939-48	4,861	2,872	7,733
1944-48	6,185	3,016	9,201
<u>Annual</u>			
1939	3,145	2,530	5,675
1940	3,693	3,028	6,721
1941	3,095	2,272	5,367
1942	2,599	2,386	4,985
1943	5,155	3,423	8,578
1944	5,137	4,611	9,748
1945	6,915	2,265	9,180
1946	8,070	1,822	9,892
1947	3,697	2,597	6,294
1948	7,108	3,785	10,893
1949 <u>1/</u>	4,130	1,062	5,192

1/ 9 months, January through September.

Compiled from official sources of the Bureau of the Census.

COMMODITY DEVELOPMENTS

FRUITS, VEGETABLES AND NUTSCUBAN VEGETABLE OUTLOOK
FOR 1949-50

The first estimate of vegetable production (excluding potatoes) in Cuba for the 1949-50 season, places the output at 70 million pounds, 10 percent above either the 1948-49 or 1947-48 crops. Of the 1949-50 crop about 20 million pounds will be required for domestic consumption, leaving around 50 million for export, as compared with 48 million in 1948-49 and 41 million during 1947-48. Shipments should be of good volume during December but the largest exports will take place during the first 4 months of 1950.

Tomatoes

Assuming normal growing conditions during the next 4 months, about 50 million pounds of tomatoes may be grown this season. Local markets probably will use 5 million pounds, canners' needs are estimated at 10 million and the remaining 35 million should be available for export. Earliest plantings are in the southeastern part of Pinar del Rio province where acreage is expected to be 2,500 acres. These tomatoes are usually ready for market in mid-November but heavy rains have retarded the crop and they will now be ready by December 1. The province of Habana is expected to produce 30 percent of this season's crop or about 3,600 acres, and the bulk of the crop will be ready during January. The provinces of Matanzas, Las Villas and Camaguey are expected to grow about half the crop which will be marketed during February, March and April.

Cucumbers

The 1949-50 crop of cucumbers will probably amount to 11 million pounds, of which 10 million may be exported, the first shipments beginning in late December. The Isle of Pines will devote about 800 acres to cucumbers, and to this must be added 400 acres, to be grown on sandy soils in the Western provinces of the Mainland.

Eggplant

Exports of eggplant may reach 3 million pounds or about half of the volume exported prewar. Local markets will use 1 million pounds.

Peppers

Exports of peppers for 1949-50 may amount to 500,000 pounds as compared with 5,015,000 for the period 1938-42.

Lima Beans

Production of lima beans may reach 3 million pounds. Unshelled lima beans will be used principally in local markets. The quick freezing plant, which has processed and shipped considerable quantities of fresh-frozen shelled lima beans to the United States probably will not operate during the 1949-50 season.

Fresh vegetables: Exports from Habana to the United States,
November-October, average 1938-42, annual 1946-49

Item	Average: 1938-42	1946-47	1947-48	1948-49	1949-50 1/
	: 1,000	1,000	1,000	1,000	1,000
	: pounds	pounds	pounds	pounds	pounds
Tomatoes	51,589	26,409	31,553	34,176	35,000
Cucumbers	2,791	3,185	4,002	7,815	10,000
Eggplant	6,194	1,632	1,590	2,835	3,000
Peppers	5,015	1,594	824	597	500
Okra	1,723	537	414	841	500
Lima beans in pods :	4,893	14	0	0	50
Lima beans, frozen :	0	2,164	1,375	674	0
Others	1,572	780	1,540	766	1,000
Total	73,777	36,315	41,328	47,704	50,050

1/ Forecast.

MEXICAN VEGETABLE OUTLOOK FOR 1949-50

The 1949-50 winter vegetable season in Mexico is expected to begin around November 15. Shipments from both the West Coast and the state of Tamaulipas are expected to exceed the previous season's exports and may with continued favorable weather set a new record. Total exports are estimated at 345 million pounds, chiefly tomatoes. An estimated 280 million pounds are forecast for shipment from the West Coast and 65 million from Tamaulipas.

NEW PACKAGING OF CITRUS IN SOUTH AFRICA

The South African Board is reported to be experimenting with the marketing of lemons and grapefruit in packages one-quarter the size of the full "pockets" of 30 pounds. Following the established policy of setting both the wholesale and the retail margins, the following are examples of prices for the new-size package.

Maximum prices of South African lemons and grapefruit
in 7 1/2 pound pockets

Variety, grade and size	Prices		
	Producers	Wholesale	Retail
	Cents	Cents	Cents
Lemons:			
First grade			
Large.....	15	16	19
Medium.....	14	15	17
Small.....	10	12	14
Grapefruit:			
First grade			
Extra large.....	19	20	22
Large.....	16	17	20
Medium.....	15	16	19
Small.....	12	13	15

FIRST ESTIMATE OF DECIDUOUS
FRUIT IN ARGENTINA

The outlook according to trade sources, for Argentine deciduous fruit for the 1949-50 season is generally fair, although the apple and pear crops may be somewhat below last year's large crops. Growing conditions, have been generally favorable except in the Rio Negro Valley where frosts have occurred. The Rio Negro Valley is Argentina's principal source of apple and pear production, and on the basis of preliminary reports, the 1949-50 apple crop is forecast at a 15 percent decrease and pears at 30 percent from the 1948-49 crop. The 1948-49 apple crop is now estimated at 9.0 million boxes, compared with 4.4 for the 1947-48 crop and 6.1 million for the 5-year average 1940-44. Pears for 1948-49, estimated at 5.0 million boxes, are 51 percent above the 1947-48 crop of 3.3 and 6 percent below the 5-year (1940-44), average of 5.3 million bushels.

TOBACCO

ITALY'S TOBACCO EXPORTS
HIGHER; IMPORTS LOWER

Italy's exports of unmanufactured tobacco during the first 6 months of 1949 were 180 percent above the January-June 1948 level, according to the American Embassy in Rome. Imports of leaf during this period were 68 percent below the first half of 1948.

The country's exports of leaf and stems for the 6 months ending June 30, 1949, totaled 3,263,000 pounds. This compares with 1,158,000 pounds during the first half of 1948 and 1,686,000 pounds during the corresponding period of 1947. Tobacco stems represented 60 percent of the January-June 1949 total, compared with about 80 percent during the first half of 1948.

Italy's exports of tobacco stems during the January-June 1949 period amounted to 1,978,000 pounds, and was principally to the United States. For leaf tobacco, the Netherlands was the most important outlet, taking 353,000 pounds during the first half of 1949. Other important outlets for leaf included the United Kingdom, Finland, Switzerland, Egypt and Sweden.

Italy's imports of leaf tobacco during the first half of 1949 totaled 6,268,000 pounds, compared with 19,301,000 pounds in the corresponding period of 1948. Greece was the most important source of leaf, supplying 2,672,000 pounds during January-June 1949. Imports from the United States, the second most important source of supply, totaled 1,726,000 pounds and represented 28 percent of all unmanufactured tobacco imports. Other important sources of leaf in 1949 include Bulgaria, Belgium, and Lybia.

ISRAEL PLANS PRODUCTION OF U.S. TYPES OF TOBACCO

Israel plans to begin the commercial production of United States types of cigarette tobaccos in 1951, according to the American Embassy in Tel-Aviv. Domestically-produced cigarette type leaf would be used to replace tobaccos normally imported from the United States.

Israel's Ministry of Agriculture reports that field experiments with United States flue-cured, Burley and Maryland types have proved that the commercial production of these tobaccos is feasible. The initial experiments will be completed in 1950 and commercial plantings of about 200 acres are expected to be made in 1951. Eventually it is planned to grow around 2,000 acres annually.

The successful production of flue-cured and other United States cigarette types probably would result in reduced imports from the United States. Exports from the United States to Palestine, the principal part of which is now incorporated into the new republic of Israel, has averaged close to 1 million pounds annually in recent years. Over 95 percent of all United States leaf shipped to Palestine has been flue-cured tobacco.

LARGER 1949-50 FLUE-CURED TOBACCO ACREAGE IN THAILAND (SIAM)

The area planted to flue-cured tobacco in Thailand (Siam) for the 1949-50 season is estimated at 16 percent above the 1948-49 acreage, according to the American Embassy in Bangkok

The country's 1949-50 flue-cured tobacco acreage, which was planted between September and November, is estimated by the Thailand Tobacco Monopoly at 33,620 acres. This compares with 28,866 acres in 1948-49, about 28,200 acres in 1947-48 and 24,000 acres in 1946-47. As a result of the larger acreage an increase in production in 1949-50 of about 15 percent over the record 1948-49 crop of 8.5 million pounds is anticipated.

Commercial production of flue-cured tobacco, which was started in Thailand in 1933-34, is being encouraged by the Tobacco Monopoly because of the large and growing demand for cigarettes manufactured from this type of leaf. The Monopoly operates 9 plantations, producing about 4 million pounds of flue-cured leaf annually, and is the only purchaser of flue-cured leaf grown on private holdings. All cultivation is closely supervised by the Monopoly, which furnishes seedlings, supplies and credit to private growers. The entire crop must be delivered to the Monopoly barns at the time of harvest.

TROPICAL PRODUCTS

LARGER CACAO PRODUCTION FORECAST FOR TRINIDAD AND TOBAGO

The 1949-50 cacao output of Trinidad and Tobago has been tentatively forecast at 15 million pounds, according to the American Consulate General in Port of Spain. This compares with 12.6 million pounds in 1948-49, 17.1 million pounds in 1947-48, and an annual average prewar (1935-39) production of 31.6 million pounds.

Cacao was once the principal crop grown in Trinidad and Tobago. Production reached 75 million pounds in 1921, but since then production has been declining. Thousands of acres of cacao trees were replaced by other crops as mixed farming in cacao producing districts expanded. Rehabilitation of cacao production was begun in 1945, however, and replantings in established and new plantings in other districts are relatively extensive.

The Trinidad Department of Agriculture has distributed several hundred thousand cuttings from high-yielding, disease-resistant plants. A subsidy has been granted producers to aid in replanting about 8,000 acres, and a recommendation to grant half the cost of planting cacao trees on suitable land not yet planted to cacao is under consideration. The cacao subsidy fund, which now amounts to more than 3 million dollars, was built up from a tax of 2 cents a pound on cacao.

Exports of cacao beans from Trinidad and Tobago to all destinations dropped from 17.8 million pounds in the 1947-48 crop year (October 1 to September 30) to 12.6 million pounds in 1948-49. Exports to the United States fell from 8.1 million to 6.6 million pounds, and shipments to the United Kingdom declined from 4.8 million to 4 million pounds. The biggest proportionate reduction occurred in exports to Canada, which dropped from about 2 million pounds in 1947-48 to less than 0.2 million in 1948-49.

MECHANICAL TEA HARVESTER TESTED IN CEYLON

The Tarpen Cropper, a machine for mechanically plucking tea leaves, won favorable comment in the Ceylon press as a result of preliminary experiments conducted in Ceylon several months ago, according to the American Embassy in Colombo.

The experiments tested the machine against the best hand pickers. Tea leaves harvested by the machine were manufactured separately from those plucked by hand. Three members of the Tea Research Institute of Ceylon compared results of the two methods of harvesting. They announced: "We are satisfied from preliminary experiments that quality does not suffer. . . . The reaction on yield now has to be determined. . . . Without committing ourselves, we can state that machine-plucking yields to date indicate that the selectivity of the Tarpen Cropper is of the same order as that achieved by good hand pickers."

Because of the cheap and plentiful labor supply which normally exists in Ceylon and India, the advisability of mechanization has been questioned. However, wages have more than doubled since 1946 and are still rising. The urgent necessity for increasing food production will draw many laborers away from the tea industry in the near future, and there is less concern that mechanization will create unemployment.

GRAINS, GRAIN PRODUCTS AND FEEDS

RIO GRANDE DO SUL RICE EXPORTS DROP SHARPLY

Rio Grande do Sul, Brazil's principal rice-exporting State, has exported a relatively negligible quantity of rice so far in 1949. During the January-September period, only 1 million pounds were shipped abroad compared with 327 million pounds during the corresponding months of 1948. The drop in exports is attributed to a depletion of stocks at the beginning of the season and to the withholding of the 1949 crop for other areas in Brazil.

Domestic rice shipments to other areas of Brazil during the January-September 1949 period, however, were smaller than in the same months of the year before. The volume shipped to the State of Sao Paulo was about double that of last year, but the total shipments to the other States decreased 21 percent.

RIO GRANDE do SUL: Rice shipments to Brazilian States,
January-September, with comparisons

State	Average				January-September 1/	
	1936-40	1946	1947	1948	1948	1949
	Million	Million	Million	Million	Million	Million
	pounds	pounds	pounds	pounds	pounds	pounds
Federal District:	136	142	113	(280	(213	(146
Rio de Janeiro...	9	21	53	(((
Sao Paulo.....	84	0	0	2/ 53	31	63
Parana.....	12	1	0	2/ 3/	3/	3/
Bahia.....	7	21	16	17	14	13
Pernambuco.....	9	21	17	22	17	7
Others.....	13	30	36	2/ 45	28	48
Total						
shipments....	270	236	235	477	303	277
Foreign						
exports.....	71	309	214	392	327	1
Shipments and.						
exports.....	341	545	449	869	630	278

1/ Preliminary. 2/ Does not include approximately 60 million pounds shipped to Sao Paulo and Parana by rail. 3/ Not separately reported.

Rio Grande do Sul Rice Institute.

TAIWAN HARVESTS RECORD
RICE ACREAGE

The total 1949 acreage of Taiwan's two rice crops is estimated officially at 1,819,000 acres compared with the previous record of 1,782,000 acres in the year before. This estimate is 13 percent greater than the average of 1,616,000 acres annually before the war (1935-39). The prewar record was 1,684,000 acres in 1936.

Taking into consideration such factors as weather conditions, additional fertilizer availabilities, and probable yields harvested per acre, the estimate of the Office of Foreign Agricultural Relations of Taiwan's 1949 rice crop is 82,300,000 bushels from 1,819,000 acres. This harvest compares with 75,000,000 bushels in 1948, and the average of 85,700,000 bushels before the war.

Of Taiwan's prewar average harvest in terms of milled rice of 2,700 million pounds, shipments to Japan averaged about 1,400 million pounds annually. This permitted an average domestic utilization in Taiwan of around 1,300 million pounds a year. The current estimate of 2,580 million pounds in terms of milled rice for the 1949 crop would indicate that a substantial surplus has been available in 1949 for shipment to nearby countries, although domestic requirements have increased above prewar consumption.

TAIWAN: Rice acreage and production,
averages 1930-44, annual 1946-49

Year	Acreage	Yield per acre	Production	
			Rough	In terms of milled <u>1/</u>
	1,000		1,000	Million
	<u>acres</u>	<u>Bushels</u>	<u>bushels</u>	<u>pounds</u>
Average:				
1930-34.....	1,609	46.8	75,340	2,373
1935-39.....	1,616	53.0	85,704	2,700
1940-44.....	1,539	47.1	72,505	2,284
1946.....	1,435	41.1	59,015	1,859
1947.....	1,631	44.0	71,727	2,259
1948.....	1,782	42.1	2/ 75,000	2/ 2,362
1949.....	1,819	45.3	2/ 82,300	2/ 2,592

1/ Rough rice converted to terms of milled at 70 percent.

2/ Estimate of the Office of Foreign Agricultural Relations.

Compiled from official sources, except as noted.

C O R R E C T I O N

In the article headlined "Japan Harvests Large Rice Crop" in Foreign Crops and Markets of November 21, 1949, the fourth column of the table should have read "Production Plus Imports", (not minus). The table, corrected, is herewith re-published:

JAPAN: Rice production and imports,
average 1935-39, annual 1946-49

Year	Production		Net imports <u>1/ 2/</u>	Production plus imports <u>2/</u>
	Rough	In terms of milled		
	1,000	Million	Million	Million
	<u>bushels</u>	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>
Average:				
1935-39.....	595,845	18,769	3,890	22,659
1946.....	561,082	17,674	6	17,680
1947.....	553,405	17,432	124	17,556
1948.....	586,004	18,459	-	-
1949.....	599,105	18,872	-	-

1/ Calendar year following harvest. 2/ In terms of milled rice.

Compiled from official sources

COTTON AND OTHER FIBERCOTTON-PRICE QUOTATIONS
ON WORLD MARKETS

The following table shows certain cotton-price quotations on foreign markets converted at current rates of exchange.

COTTON: Spot prices in certain foreign markets, and the
U.S. gulf-port average

Market location kind, and quality	Date 1949	Unit of weight	Unit of currency	Price in foreign currency	Equivalent U.S. cents per pound
<u>Alexandria</u>		:Kantar	:	:	:
Ashmouni, Good.....	12-1	: 99.05 lbs.	:Tallari	: 68.90	: 39.94
Ashmouni, F.G.F.....	"	: "	: "	: 66.90	: 38.78
Karnak, Good.....	"	: "	: "	: 75.25	: 43.62
Karnak, F.G.F.....	"	: "	: "	: 68.25	: 39.56
<u>Bombay</u>		:Candy	:	:	:
Jarila, Fine.....	"	: 78 ¹ / ₄ lbs.	:Rupee	: <u>1</u> / ₁ 620.00	: 16.50
Broach Vijay, Fine.....	"	: "	: "	: <u>1</u> / ₁ 690.00	: 18.37
<u>Karachi</u>		:Maund	:	:	:
4F Punjab, S.G., Fine....	11-30	: 82 28 lbs.	: "	: 76.00	: 27.87
289F Sind, S.G., Fine....	"	: "	: "	: 82.00	: 30.07
289F Punjab, S.G., Fine..	"	: "	: "	: 84.00	: 30.80
<u>Buenos Aires</u>		:Metric ton	:	:	:
Type B.....	12-1	: 2204.6 lbs.	:Peso	: <u>1</u> / ₁ 4000.00	: 37.55
<u>Lima</u>		:Sp. quintal	:	:	:
Tanguis, Type 5.....	11-30	: 101.4 lbs.	:Sol	:	(not :quoted)
Pima, Type 1.....	"	: "	: "	:	(not :quoted)
<u>Recife</u>		:Arroba	:	:	:
Mata, Type 4.....	12-1	: 33.07 lbs.	:Cruzeiro	:	(not :available)
Sertao, Type 5.....	"	: "	: "	: 210.00	: 34.55
<u>Sao Paulo</u>		:	:	:	:
Sao Paulo, Type 5.....	"	: "	: "	: 188.00	: 30.93
<u>Torreón</u>		:Sp. quintal	:	:	:
Middling, 15/16".....	"	: 101.4 lbs.	:Peso	: 211.00	: 24.06
<u>Houston-Galveston-New</u>		:	:	:	:
Orleans av. Mid. 15/16".. :	"	:Pound	:Cent	: XXXXX	: 29.40

Quotations of foreign markets reported by cable from U.S. Foreign Service posts abroad. U.S. quotations from designated spot markets.

1/ Nominal.

COTTON STOCKS IN EGYPT REVISED DOWNWARD

Stocks of cotton in Egypt at the end of August 1949 were recently revised downward to 459,000 bales (of 500 pounds gross) from an earlier estimate of 639,000 bales following an actual enumeration ordered by the government.

The new figure includes 270,000 bales of Karnak, 78,000 of Zagora, and 47,000 of Ashmouni. Most of the remaining 64,000 bales was composed of Giza 7, Giza 30, Menoufi, and Giza 23. Government-owned stocks (included above) amounted to 276,000 bales or 60 percent of the total and included 249,000 bales of Karnak, 18,000 of Giza 7, and 9,000 of Menoufi. Adding the export and local consumption figures for August to the August 31 stock of 459,000 bales the apparent stock figure for July 31 was about 659,000 bales, instead of the 875,000 bales previously reported.

Growing conditions have been favorable for the 1949 crop except for unusually heavy infestation by cotton leafworm and pink bollworm in the delta provinces where Karnak, Menoufi, and Giza 30 varieties (all extra long staple) were planted almost exclusively. The government's first estimate placed the 1949 crop at 1,616,000 equivalent 500-pound bales, or 12 percent lower than last year's crop of 1,836,000 bales. The planted area, estimated at 1,754,000 acres in 1949, is 17 percent higher than the 1,496,000 acres reported for 1948. Private sources in Egypt recently estimated the 1949 crop at 1,700,000 bales. (See 1950 acreage restriction item in "Late News", page 582).

Both the grade and staple of the cotton in the infested areas are reported to be below the unusually high level of the 1948 crop, but the quality of the Ashmouni crop in Upper Egypt is reported to be as good as a year ago. Deliveries of cotton to the market this year are considerably ahead of those of a year ago.

Exports of 318,000 equivalent 500-pound bales of cotton during August-October 1949 were 17.7 percent higher than the total of 270,000 bales for a similar period a year ago. Most of the increases were in exports to India, Italy, Germany, and Czechoslovakia, while sharp decreases are shown in exports to the United Kingdom, the United States, and the Netherlands. Heavy purchases have been made in recent weeks for export to Italy, France, Czechoslovakia, U.S.S.R., Germany, Japan, and Switzerland. Improvements in cotton exports to countries that devalued their currency are expected as a result of the more favorable ratio in prices of Egyptian cotton to cotton from other exporting countries, particularly the United States, Pakistan, and Brazil, which did not devalue their currencies.

Domestic mill consumption during August-October 1949 totaled about 57,000 bales, compared with 65,000 for a similar period in 1948. The sharp decline in mill consumption in recent months was necessitated by a large accumulation of cotton goods in the country. Mill capacity has been expanded since the end of the war to a level about 30 percent above the needs of the domestic market, but imports of lower priced

EGYPT: Cotton exports by countries of destination;
averages 1934-38 and 1939-43; annual 1947 and 1948;
August - October 1948 and 1949

(Bales of 500 pounds gross)

Country	Year beginning August 1				August-October	
	Average		1947	1948	1948	1949
	1934-38	1939-43				
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
Australia.....	-	6.4	10.9	1.5	2/	.1
Austria.....	18.4	1/	2/	2/	2/	2/
Belgium-Luxembourg	18.7	2.9	21.8	13.0	5.2	3.4
China.....	20.9	9.4	2.2	.9	0	0
Czechoslovakia.....	59.9	.2	61.6	61.4	4.5	16.4
France.....	215.2	62.7	219.6	110.1	24.8	23.4
Germany.....	171.6	2.3	2/	39.4	3.6	19.2
India.....	99.9	170.8	191.1	353.4	25.0	67.6
Italy.....	114.7	19.4	166.2	114.4	8.2	24.5
Japan.....	148.5	44.1	2/	42.2	3.7	10.2
Netherlands.....	5.7	1.1	15.4	47.9	17.2	10.9
Spain.....	43.6	6.5	45.1	29.7	1.8	6.2
Sweden.....	12.3	2.1	33.1	16.7	.7	4.3
Switzerland.....	71.1	14.6	28.9	17.1	1.5	8.5
United Kingdom.....	554.4	402.0	354.6	496.1	44.2	12.4
United States.....	48.8	97.0	89.2	44.2	44.1	29.0
Others.....	143.0	84.9	248.9	222.9	85.5	81.7
Total.....	1746.7	926.4	1488.6	1610.9	270.0	317.8

1/ Included with Germany.

2/ If any, included in "Others".

Compiled from Monthly Summary of the Foreign Trade of Egypt and Foreign Service reports.

cotton yarn and cloth remained high. Some relief is expected in coming months, however, as a result of increases of 200 and 300 percent, respectively, in import duties on yarn and cloth, effective since October 13. Further relief is offered through an export subsidy of £485,000 (\$1,358,000 at the current rate of exchange) available to manufacturers of yarns up to and including 40 counts during a 6-month period from September 5, 1949. A longer term solution to the surplus problem is expected to be worked out before the end of this period.

OUTLOOK FOR SWISS TEXTILE INDUSTRY IMPROVED 1/

Cotton textile production in Switzerland has improved and it is now believed that production can be stabilized above the prewar level or near the level of the 1948-49 season. Cotton consumption in the 1948-49 season was reported at 132,000 bales (480 pounds net). This was 5 percent under the 139,000 bales consumed in 1947-48 but above the 1934-38 average consumption of 126,000 bales. Consumption during 1946 and 1947 was maintained by high domestic demand. By 1948, however, the domestic shortages had been made good and the industry became more dependent on exports.

In the prewar period Switzerland depended on the export market for an outlet for a major share of the output of fine and fancy textiles, while importing many other types of textiles not produced in Switzerland. After the close of World War II the shortage of cotton goods caused imports to exceed exports until domestic shortages were met. However, in the past two years imports of cotton textiles have been declining. Switzerland has found it difficult to increase exports of cotton textiles as the fine and fancy yarns and piece goods, making up the major share of the exports, were classed as non-essential by many soft-currency countries and imports were restricted. These countries are also endeavoring to save hard currencies, such as the Swiss franc, and are importing more raw cotton and less cotton Swiss yarn.

A drive to find additional foreign markets has raised exports in the first 9 months of 1949 to over double those of the same period in 1948 or near the prewar level. With imports and exports of textiles now near the prewar levels, the textile industry has revised its estimates and now believes that consumption can be stabilized slightly above the prewar level.

Nethertheless the chain reaction set off by devaluation in the sterling area and other countries has created some uncertainties. Plans of further increasing exports of yarns and piece goods have now been replaced by a determination to maintain foreign markets at present levels. Swiss foreign trade is controlled by a series of bilateral

1/ Based on reports of O. B. Moussman, Foreign Service Clerk, American Consulate, Zurich.

trade agreements. Within the framework of these agreements devaluation will tend to reduce the amount of exports and increase the quantity of imports from the devalued countries. However, it is hoped that countries which have devalued their currencies will drop their restrictions on the import of fine cotton fabrics which have been classed under the "non-essential" group. During the 1948-49 season Switzerland imported nearly three-fourths of its raw cotton from countries that have not devalued their currencies. This will make it more difficult for Switzerland to meet the reduced prices of countries with devalued currencies. On the other hand it is believed these countries must eventually raise their prices to meet the increased cost of cotton from hard-currency areas.

Imports of cotton in the 1948-49 season were reported at 103,220 bales.

The United States took the lead in supplying the Swiss raw cotton market requirement with 45,000 bales, or a little over 43 percent of the total. About 30,000 bales were obtained from Peru, Brazil, and Mexico. Switzerland obtained 19,000 bales of cotton from Egypt and 6,750 bales from the Belgian Congo, the only major suppliers of the Swiss market that devalued their currencies. To fill consumption requirements it was necessary also to withdraw 29,000 bales from stocks. However, on August 1, 1949, stocks were still equal to nearly 6-months' supply.

Imports from the Belgian Congo are limited by a trade agreement and it is doubtful that imports can be increased from this source. India will permit only the export of short-staple cotton which does not interest Swiss spinners. Egypt therefore is the only devaluing country from which additional supplies of cotton can be procured.

Although Egyptian cotton is now favorably priced as compared to other growths in terms of Swiss francs, trade with Egypt is complicated.

Mexican cotton prices are under United States prices, but Mexico is willing to export cotton only against dollars. Bidding has been brisk for all non-dollar cotton and prices as a rule are above those in the United States for comparable qualities. Moreover supplies of non-dollar cotton are not expected to be more plentiful than during the past season. Therefore, it is believed Switzerland will continue sizable purchases of raw cotton during the present season from the United States.

FATS AND OILS

WESTERN GERMANY INCREASES OILSEED PRODUCTION

Western Germany's total 1949 oilseed production is expected to exceed that of 1948 by more than 70 percent. The entire increase is in rapeseed, the major oilseed crop. Poppy seed, flaxseed, mustard seed, and hempseed crops are smaller than a year ago.

Rapeseed production for the current year is estimated at 144,700 short tons compared with 60,000 in 1948. Other oilseed crop estimates are as follows, with comparable figures for 1948 shown in parentheses: poppy seed, 8,900 tons (11,800); flaxseed, 9,400 (17,400); mustard seed, 6,600 (7,700 in UK/US zones only); and hempseed, 700 (1,300).

WESTERN GERMANY: Oilseed acreage and production,
1949 with comparisons

Oilseed	Area				Production				Producer	
	1938:	1948:	1949:	1950:	1938:	1948:	1949:		price	
	1938:	1948:	1949:	1950:	1938:	1948:	1949:		1949	1949
	1,000:	1,000:	1,000:	1,000:	1,000:	1,000:	1,000:	D.M.	U.S. Dol.	
	acres:	acres:	acres:	acres:	short:	short:	short:	per	per	
	:	:	:	:	tons:	tons:	tons:	metric	short	
	:	:	:	:	:	:	:	ton	ton	
Rapeseed.....	70.7:	137.1:	201.4:	135.9 :	60.4:	60.0:	144.7:	900 :	194	
Poppy seed.....	5.7:	34.8:	24.5:	22.2 :	- :	11.8:	8.9:	1,600 :	345	
Mustard seed 2/:	- :	22.2:	13.3:	13.3 :	- :	7.7:	6.6:	1,160 :	250	
Flaxseed.....	47.7:	64.5:	31.6:	32.1 :	10.4:	17.4:	9.4:	540 :	117	
Hempseed.....	5.7:	4.4:	2.5:	2.5 :	1.3:	1.3:	.7:	540 :	117	

1/ Preliminary. 2/ U.S./U.K. Zones only.

Bizonal Administration for Food, Agriculture and Forestry, Frankfurt.

High support prices, started during the Nazi regime, make edible oilseed production very attractive to the farmer in spite of the heavy risks involved due to climatic conditions in Germany. With increased availability of vegetable oils and oilseeds on the world market, it had been planned in 1948 to discontinue these high subsidies. Farmers had already planted the bulk of the 1949 crop, however, before a change could be carried out. The 1950 plan calls for a 32 percent decrease in acreage for rapeseed, but no steps have been taken to bring this about. Most of the rape has been planted, and it is highly probable that not only will the planned reduction not take place but that the acreage will be even greater than for the 1949 crop.

Oils and oilseeds are controlled internally by the Government by a system of fixed prices and quotas at every stage from the producer to the consumer. The internal price charged for all fats and oils, including lard, is fixed at 1,735 DM per metric ton (\$375 per short ton) compared with approximately \$160-340 per short ton (landed price) for various types of oil on the world market. The differences in prices accrue to the German government as profits which are used to subsidize the purchases of grain.

There is practically no competition and very little incentive to increase efficiency under the present rigidly controlled set-up, nor is there any incentive on the part of industry for purchasing and importing the less expensive oils, which are satisfactory for margarine production, since all oils are turned over to the margarine factories at the same price.

Fats and oils are rationed at 1,125 grams monthly for the normal consumer. However, even if these items were free from controls present high prices would prevent consumers from buying much more than the present ration.

FRANCE ANTICIPATES ABUNDANT OLIVE OIL SUPPLY

France's olive oil production during the 1949-50 season is expected to amount to approximately 9,900 to 11,000 short tons of edible oil and about 1,100 to 1,700 tons of inedible oil from an estimated olive yield of around 60,000 tons, according to a report from the American Consulate General, Marseille. Last season's outturn is placed at 2,000 tons of edible and 400 of inedible.

Consumption of olive oil by Metropolitan France may generally be expected to vary inversely with the price. Estimates of the amount of reasonably priced edible olive oil that could be consumed vary from 16,500 to 28,000 tons. This is, however, but a fraction of the half-million tons of fats and oils annually consumed in France and, should the price of olive oil be lowered to the level of other oils, a considerably larger amount could be absorbed. In any case, olive oil production within France is not sufficient to satisfy domestic needs and imports must therefore ordinarily be made.

French olive oil consumption in 1948 is estimated to have been about 8,800 tons. Roughly the same rate of consumption has prevailed in 1949, although a greater volume has actually been available this year as a consequence of the importation of 11,000 tons of Spanish olive oil. In early November, stocks amounted to approximately 6,000 tons, including 1,100 tons of Tunisian oil.

As of January 1, 1950, the French Government will permit free trade in olive oil between France and Tunisia. Consideration has also been given to admitting olive oil from Algeria and Morocco under the same conditions. Sizeable quantities of Tunisian olive oil likely will be exported to France. It may be possible for 66,000 tons to be sent without restriction at a price of 190 francs per kilo (24 cents per pound). Despite the fact that the quantity and price are only speculative, it is admitted that the probable quantities to be imported in 1950 will be substantial enough to cause an appreciable decrease in prices of this season's olive oil. The French olive oil market is so unsettled at this time that producers and dealers refuse to make commitments on prices for future delivery.

The marketing of domestically produced olive oil has been completely free of Government control for about two years. The remaining stocks of last season's domestic yield were recently sold at about 350 francs per kilo (45 cents per pound) compared with the average price of other oils which are currently retailing at a little over 280 francs (36 cents). As the price of olive oil approaches that of other oils, more of the former is likely to find a ready market.

With an increased supply and lower prices, exports of olive oil also may be expected to increase markedly. General opinion is that export prices will be approximately half the early 1949 quotation of \$1.00 per kilogram (45 cents per pound).

LIVESTOCK AND ANIMAL PRODUCTS

SUBSTANTIAL EXPORTS OF U.K. WOOL AND BY-PRODUCTS TO U.S. CONTINUE 1/

Declared exports of raw wool, noils and rags from Bradford to the United States during the week ended November 10 were lower than in the previous week due possibly to the short week because of the November 11 holiday. They were, however, still substantially higher than pre-devaluation weekly averages.

Exports of U.K. Wool and Wool Textiles to U.S.

Commodity	Unit	Week ended				
		Sept. 16:	Oct. 21:	Oct. 28:	Nov. 4:	Nov. 16:
		1949	1949	1949	1949	1949
Wool and Hair	Lbs.	8,935	179,834	171,815	236,007	224,934
Tops	"	---	---	400	29,139	1,989
Noils	"	67,233	352,625	217,727	225,726	223,873
Wastes	"	34,164	147,219	119,423	163,566	180,862
Rugs	"	70,838	260,820	133,407	120,372	81,661
Yarns	"	5,937	4,886	9,257	159	303
Cloth	Sq. Yds.	53,838	77,973	92,813	72,660	79,592
Blankets and						
traveling rugs	Lbs.	245	676	9,354	70	9,895
Carpets and						
floor rugs	Sq. Ft.	752	---	4,362	1,341	5,227

Consulates' Declared Exports.

The total of 224,934 pounds of raw wool exported in the last week reported included 85,678 pounds of South African origin, 79,251 pounds of New Zealand, 26,580 pounds of East Indian, 23,738 pounds of Australian and 9,687 pounds of Irish.

The 223,873 pounds of noils included both botany and crossbred types and were mainly uncarbonized.

The shipments of wool cloth are not as large as could be desired by the Bradford trade, however, the industry is faced with production

1/ Data for week ended September 23 and 30, and October 7 and 14 are available in Foreign Crops and Markets, Number 19, Vol. 59, of November 7, 1949.

difficulties which preclude immediate substantial increase in its output. Current orders for cloth which are being accepted at devaluation prices will not be reflected in exports until early in 1950, except for occasional lots and some stock which can be diverted from the home trade.

IRELAND REGULATES POULTRY IMPORTS

The Irish Ministry of Agriculture, in an attempt to prevent the spread of fowl pest disease newly reported in Northern Ireland, has prohibited imports of all live or dead poultry, all eggs and certain game birds, except by special permit from the Ministry.

The Ministry is also concerned about the recently reported outbreaks of this disease in the United Kingdom and is taking every precaution to prevent its spread.

FEWER CANADIAN EGGS, MORE POULTRY MEAT INDICATED ^{1/}

The Dominion Bureau of Statistics in its census of poultry on farms on June 1, 1949 indicates that as of that date there was a possible 8 percent smaller laying flock than was registered on June 1, 1948, and that poultry numbers for meat during the 12-month period starting June 1, 1949 are about 7 percent above the figure for the corresponding date a year earlier. Canadian production of poultry products during the coming months will, nevertheless, depend largely upon their poultrymen's ability to fit this stock to the price cost relations of the coming year to their best advantage.

Canadian officials reported 22,317 thousand laying hens as of June 1, 1949 which is a reduction of 15 percent under a year earlier. This decrease is partially offset by the 17,931 thousand young pullets coming into production after June 1 which represents an increase of about 4 percent over comparable groups in 1948.

The grand total of chickens, turkeys, ducks, and geese on June 1, 1949 is just about the same as a year earlier. The fewer laying hens were compensated for by approximately a 33 percent increase in cocks and cockerels, 30 percent increase in turkeys, 10 percent increase in duck and a 15 percent increase in geese for the same period. The expected expansion in chicken meat production will be provided by greater numbers and larger birds raised, especially for meat.

^{1/} An analysis providing further details regarding the Canadian poultry situation is provided in the Foreign Agriculture Circular, entitled "The Canadian Poultry and Egg Industry, obtainable from the Office of Foreign Agricultural Relations, U. S. Department of Agriculture, Washington 25, D. C.

